

WC 06-228

BINGHAM McCUTCHEN

FCC/MELLON DEC 06 2006

December 6, 2006

VIA COURIER

Bingham McCutchen LLP  
Suite 300  
3000 K Street NW  
Washington, DC  
20007-5116  
202.424.7500  
202.424.7647 fax  
bingham.com

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Wireline Competition Bureau – CPD – 214 Appls.  
P.O. Box 358145  
Pittsburgh, PA 15251-5145

Re: Application for Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, to Complete a Transfer of Assets of an Authorized Domestic and International Section 214 Carrier

Dear Ms. Dortch:

Boston  
Hartford  
London  
Los Angeles  
New York  
Orange County  
San Francisco  
Silicon Valley  
Tokyo  
Walnut Creek  
Washington

On behalf of Lightyear Network Solutions, LLC ("Lightyear"), First Communications, LLC (First Communications) and Xtension Services, Inc. (Xtension) and First Communications, Inc. ("FCI"), enclosed please find an original and six (6) copies of an application for authority to complete a transaction whereby First Communications, Inc. ("FCI") will acquire control of Lightyear, First Communications and Xtension.

Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined international and domestic section 214 transfer of control application ("Combined Application"). Applicants have filed the Application with the International Bureau through the MyIBFS Filing System, IB Submission No. 2006003242.

Also enclosed is a check in the amount of \$965.00 made payable to the Federal Communications Commission, which satisfies the filing fee required for this Application under line 2.b of Section 1.1105 of the Commission's rules.

Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

*Danielle Burt /ms*

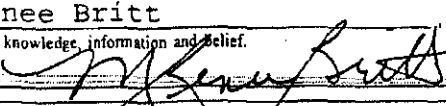
Jean L. Kiddoo  
Danielle Burt

Enclosures

READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE

Approved by OMB  
3060-0389  
Page 1 of 4

(1) LOCKBOX # 358145		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Bingham McCutchen, LLP		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$965.00	
(4) STREET ADDRESS LINE NO. 1 c/o Danielle C. Burt			
(5) STREET ADDRESS LINE NO. 2 3000 K Street, N.W. Suite 300			
(6) CITY Washington		(7) STATE DC	(8) ZIP CODE 20007-5116
(9) DAYTIME TELEPHONE NUMBER (include area code) 202-424-7500		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0004-3539-00		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Lightyear Network Solutions, LLC			
(14) STREET ADDRESS LINE NO. 1 1901 Eastpoint Parkway			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY Louisville		(17) STATE KY	(18) ZIP CODE 40223
(19) DAYTIME TELEPHONE NUMBER (include area code) 502-253-1508		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0010-0451-28		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$965.00	(27A) TOTAL FEE \$965.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23b) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, M. Renee Britt, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE 		DATE 12/06/2006	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s) authorization herein described.			
SIGNATURE _____		DATE _____	

SEE PUBLIC BURDEN ON REVERSE

FCC FORM 159

FEBRUARY 2003 (REVISED)

FEDERAL COMMUNICATIONS COMMISSION <b>REMITTANCE ADVICE (CONTINUATION SHEET)</b> Page No <u>2</u> of <u>4</u>		SPECIAL USE
		FCC ONLY
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION		
(13) APPLICANT NAME First Communications, LLC		
(14) STREET ADDRESS LINE NO. 1 3340 West Market Street		
(15) STREET ADDRESS LINE NO. 2		
(16) CITY Akron	(17) STATE OH	(18) ZIP CODE 44333
(19) DAYTIME TELEPHONE NUMBER (include area code) 330-835-2323		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED		
(21) APPLICANT (FRN) 0003-7644-87		(22) FCC USE ONLY
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	FCC USE ONLY
(28A) FCC CODE 1		(29A) FCC CODE 2
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1		(29B) FCC CODE 2
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	FCC USE ONLY
(28C) FCC CODE 1		(29C) FCC CODE 2
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	FCC USE ONLY
(28D) FCC CODE 1		(29D) FCC CODE 2
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	FCC USE ONLY
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(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	FCC USE ONLY
(28F) FCC CODE 1		(29F) FCC CODE 2

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE (CONTINUATION SHEET)  
Page No 3 of 4

SPECIAL USE

FCC ONLY

USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT  
SECTION BB - ADDITIONAL APPLICANT INFORMATION

(13) APPLICANT NAME

Xtension Services, Inc.

(14) STREET ADDRESS LINE NO. 1

30 South Treasure Drive

(15) STREET ADDRESS LINE NO. 2

(16) CITY

Tampa

(17) STATE

FL

(18) ZIP CODE

33609

(19) DAYTIME TELEPHONE NUMBER (include area code)

330-835-2323

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) REQUIRED

(21) APPLICANT (FRN)

0004-2896-58

(22) FCC USE ONLY

COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE

(25A) QUANTITY

(26A) FEE DUE FOR (PTC)

(27A) TOTAL FEE

FCC USE ONLY

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

FCC USE ONLY

(28B) FCC CODE 1

(29B) FCC CODE 2

(23C) CALL SIGN/OTHER ID

(24C) PAYMENT TYPE CODE

(25C) QUANTITY

(26C) FEE DUE FOR (PTC)

(27C) TOTAL FEE

FCC USE ONLY

(28C) FCC CODE 1

(29C) FCC CODE 2

(23D) CALL SIGN/OTHER ID

(24D) PAYMENT TYPE CODE

(25D) QUANTITY

(26D) FEE DUE FOR (PTC)

(27D) TOTAL FEE

FCC USE ONLY

(28D) FCC CODE 1

(29D) FCC CODE 2

(23E) CALL SIGN/OTHER ID

(24E) PAYMENT TYPE CODE

(25E) QUANTITY

(26E) FEE DUE FOR (PTC)

(27E) TOTAL FEE

FCC USE ONLY

(28E) FCC CODE 1

(29E) FCC CODE 2

(23F) CALL SIGN/OTHER ID

(24F) PAYMENT TYPE CODE

(25F) QUANTITY

(26F) FEE DUE FOR (PTC)

(27F) TOTAL FEE

FCC USE ONLY

(28F) FCC CODE 1

(29F) FCC CODE 2

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE (CONTINUATION SHEET)

Page No 4 of 4

SPECIAL USE

FCC ONLY

USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT  
SECTION BB - ADDITIONAL APPLICANT INFORMATION

(13) APPLICANT NAME

First Communications, Inc.

(14) STREET ADDRESS LINE NO. 1

3340 West Market Street

(15) STREET ADDRESS LINE NO. 2

(16) CITY

Akron

(17) STATE

OH

(18) ZIP CODE

44333

(19) DAYTIME TELEPHONE NUMBER (include area code)

330-835-2323

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) REQUIRED

(21) APPLICANT (FRN)

0015-8069-79

(22) FCC USE ONLY

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE

(25A) QUANTITY

(26A) FEE DUE FOR (PTC)

(27A) TOTAL FEE

FCC USE ONLY

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

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(28B) FCC CODE 1

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(23C) CALL SIGN/OTHER ID

(24C) PAYMENT TYPE CODE

(25C) QUANTITY

(26C) FEE DUE FOR (PTC)

(27C) TOTAL FEE

FCC USE ONLY

(28C) FCC CODE 1

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(23D) CALL SIGN/OTHER ID

(24D) PAYMENT TYPE CODE

(25D) QUANTITY

(26D) FEE DUE FOR (PTC)

(27D) TOTAL FEE

FCC USE ONLY

(28D) FCC CODE 1

(29D) FCC CODE 2

(23E) CALL SIGN/OTHER ID

(24E) PAYMENT TYPE CODE

(25E) QUANTITY

(26E) FEE DUE FOR (PTC)

(27E) TOTAL FEE

FCC USE ONLY

(28E) FCC CODE 1

(29E) FCC CODE 2

(23F) CALL SIGN/OTHER ID

(24F) PAYMENT TYPE CODE

(25F) QUANTITY

(26F) FEE DUE FOR (PTC)

(27F) TOTAL FEE

FCC USE ONLY

(28F) FCC CODE 1

(29F) FCC CODE 2

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of the Joint Application of

Lightyear Network Solutions, LLC,  
First Communications, LLC, and  
Xtension Services, Inc.

Transferors

and

First Communications, Inc.  
Transferee

For Grant of Authority Pursuant to  
Section 214 of the Communications Act of 1934,  
as amended, and Sections 63.04 and 63.24 of the  
Commission's Rules to Complete a  
Transfer of Control of Authorized  
Domestic and International Section 214 Carriers

File No. ITC-T/C-2006 \_\_\_\_\_

WC Docket No. 06- \_\_\_\_\_

**JOINT APPLICATION**

**I. INTRODUCTION**

**A. Summary of Transaction**

First Communications, Inc. ("FCI"), a newly formed holding company, Lightyear Network Solutions, LLC ("Lightyear"), First Communications, LLC ("First Communications"), and Xtension Services, Inc. ("Xtension") (collectively, "Applicants"), through their undersigned counsel and pursuant to Section 214 of the Communications Act, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission's Rules, 47 C.F.R. §§ 63.04, 63.24, hereby respectfully request Federal Communications Commission ("Commission") approval to consummate a transaction whereby FCI will acquire control of Lightyear, First Communications, and Xtension.

FCI has been formed in order to facilitate a transaction (the "Transaction") whereby Lightyear, First Communications and Xtension will become an integrated telecommunications company that, while continuing to operate pursuant to their existing federal and state authorizations and tariffs, will be able to benefit from the combined expertise of each of the three companies' respective management and operational personnel and to achieve additional economies of scope and scale that will enable them to compete more effectively.

As part of the Transaction, a publicly traded holding company will be inserted as the ultimate parent of Lightyear, First Communications, and Xtension. However, the proposed Transaction will not have any significant impact on the Commission's regulatory oversight of the telecommunications operations of the Applicants, and Applicants expect that there will not be any new controlling individual or entity for the Commission to review and approve since the ownership of the FCI holding company will be widely held at the time of the transfer, with an estimated 72% of the shares publicly offered to new investors and the remaining shares held by existing owners and founders/management of the three companies. Moreover, the Transaction will not result in any assignment or transfer of authorizations, assets or customers of Lightyear, First Communications, and Xtension. All three operating companies will continue to provide service to their existing customers pursuant to their existing authorizations and at the same rates, terms and conditions such that the transaction will be virtually transparent to their customers, and the integrated company will continue to be run by a combination of the highly experienced, well qualified management, operational and technical personnel that operate the three companies today.

#### **B. Request for Expedited Consideration**

Applicants anticipate that the FCI shares will be admitted to trading on the Alternative

Investment Market of the London Stock Exchange ("AIM") in March, 2007. It is imperative that, when the offering is made, FCI be able to advise the London Stock Exchange and potential public shareholders that the United States regulatory approvals necessary for it to acquire control of Lightyear, First Communications, and Xtension immediately following the offering have been obtained. Accordingly, in order that the necessary public filings, disclosures and related fund raising activities may proceed in anticipation of the March admission date, Applicants respectfully request that the Commission act expeditiously to grant the authority requested herein prior to February 15, 2007, so that Applicants meet their important business objectives.

**C. Request for Streamlined Processing**

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.03 and 63.12 of the Commission's Rules, 47 C.F.R. §§ 63.03 & 63.12. With respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transactions, (1) Applicants and their affiliates, as defined in Section 3(1) of the Communications Act ("Affiliates") combined will hold less than a ten percent (10%) share of the interstate, interexchange market; (2) Applicants and their Affiliates will provide local exchange service only in areas served by dominant local exchange carriers (none of which is a party to the proposed transactions) and; (3) none of the Applicants or their Affiliates is dominant with respect to any service.

With respect to international authority, this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants is a foreign carrier, or



is affiliated with any foreign carriers and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), applies.

In support of this Application, Applicants provide the following information:

## **II. DESCRIPTION OF THE APPLICANTS**

### **A. First Communications, Inc. ("Transferee")**

FCI is a newly formed Delaware corporation with offices located at 3340 West Market Street, Akron, Ohio 44333, (330) 835-2323. It has entered into letters of intent to acquire 100 percent of the shares of Lightyear, First Communications, and Xtension. Prior to the closing of those three transactions and the resulting transfers of control, FCI will undertake an initial public offering on AIM after which approximately 72 percent of its shares will be held by new investors, and the remaining shares held by existing owners and founders/management of Lightyear, First Communications, and Xtension.<sup>1</sup>

Applicants do not expect that any individual will hold an attributable interest in more than 10 percent of the shares of FCI, or that any individual or entity will hold any controlling interest. Founding management will hold a combined interest of 15 percent, but no individual among the founding management group will hold more than 10 percent of the stock of FCI. Further, none of the current shareholders of Lightyear, First Communications or Xtension will

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<sup>1</sup> At the time of closing, another parent holding company may be added to the corporate structure as the publicly-traded company with the ownership interest described above. In that event, FCI will be a wholly-owned subsidiary of the publicly-traded parent company, and the publicly-traded company will be the ultimate parent of Lightyear, First Communications, and Xtension. The insertion of such an additional holding company would not in any way alter the ownership information provided in this Application and would merely result in there being an intermediate holding company between Lightyear, First Communications, and Xtension and the ultimate publicly-traded parent. Because a decision as to whether to add an additional holding company may not be made until immediately prior to the public offering, Applicants request that the Commission's grant of this Application include approval of this possible alternative structure so as not to impede or delay the orderly process of the offering.

hold more than 10 percent of the stock of FCI,<sup>2</sup> and Applicants do not expect that any individual or entity will acquire more than 10 percent of the publicly offered shares.

FCI will have the technical, managerial, and financial qualifications to acquire control of Lightyear, First Communications, and Xtension. As noted above, a well qualified management and operations team consisting of current Lightyear, First Communications, and Xtension management and operations personnel will remain with the integrated company, thereby assuring continuity of existing operations and providing each of the individual companies with access to an experienced team that combines the expertise all three companies.

**B. Lightyear Network Solutions, LLC ("Transferor")**

Lightyear is limited liability company organized and existing under the laws of the Commonwealth of Kentucky, with offices located at 1901 Eastpoint Parkway, Louisville, Kentucky 40223. Lightyear is a wholly owned subsidiary of LY Holdings, LLC,<sup>3</sup> a Kentucky limited liability company also located in Louisville, Kentucky, which, in turn, is owned by a series of investors including LANJK, LLC, SullivanLY, LLC, and Rice-LY Ventures, LLC. Lightyear holds domestic and international Section 214 authorizations from the FCC and is authorized to provide local exchange telecommunications services in 44 states and long distance telecommunications services in 49 states.

**C. First Communications, LLC ("Transferor")**

First Communications is a privately held Ohio limited liability company headquartered at

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<sup>2</sup> Following the AIM admission and as of the closing of the Transaction and the resulting transfer of control, the existing First Communications shareholders will hold an aggregate of approximately 7.5 percent in FCI; the current shareholders in LY Holdings, LLC (the parent of Lightyear) will hold an aggregate of approximately 3.5 percent in FCI; and the current shareholders in Xtension will hold an aggregate of approximately 3 percent in FCI.

<sup>3</sup> As part of the proposed Transaction, LY Holdings, LLC will be merged into Lightyear and therefore will cease to exist as an intermediate holding company following the transfer of control to FCI.

3340 West Market Street, Akron, Ohio 44333, (330) 835-2323. First Communications was formed on July 1, 1998 under the laws of the State of Ohio. McKinley Communications, LLC holds a 51% ownership interest in First Communications, First Energy Corp. holds a 32% interest in First Communications and Boich Investment Group, Ltd. holds a 17% interest in First Communications. No other entity holds a 10% or greater ownership interest in First Communications.

First Communications is a common carrier that provides local, private line and long distance services to both business and residential customers in several states. Currently, First Communications provides telecommunications services to approximately 200,000 customers located primarily in Ohio, Michigan, Indiana, Illinois, North Carolina, Texas, Pennsylvania and Florida. First Communications' services include, in addition to traditional local and long distance services, toll-free services, conference calling packages, calling cards, prepaid calling cards, Internet access and dedicated and private line services. First Communications' telecommunications services are provided primarily on a resale basis using the facilities and switches that are owned and operated by other telecommunications carriers. First Communications is authorized to provide intrastate long distance telecommunications services in 42 states and is authorized to provide intrastate long distance and competitive local exchange telecommunications services in Illinois, Indiana, Michigan, New Jersey, New York, Ohio, Pennsylvania, and Wisconsin.

**D. Xtension Services, Inc. ("Transferor")**

~~Xtension is a corporation founded in 2000 under the laws of the State of Delaware. Its~~  
offices are located at 30 South Treasure Drive, Tampa, Florida 33609. Jamie J. O'Steen and David H. Amis each own 50% of Xtension. Xtension holds domestic and international Section

214 authorizations from the FCC and is authorized to provide long distance telecommunications services in 13 states and local exchange telecommunications services in New Jersey.

### **III. DESCRIPTION OF THE TRANSACTION**

Applicants propose to complete a transaction (the "Transaction") whereby FCI will acquire control of Lightyear, First Communications, and Xtension following the initial public offering of shares by FCI on AIM. For the Commission's convenience, illustrative pre- and post-Transaction organization charts are provided as Exhibit A.

Applicants request authority to complete the proposed Transaction and in particular for the transfer of control of Lightyear, First Communications, and Xtension. Immediately following the consummation of the proposed Transaction, Lightyear, First Communications, and Xtension will continue to offer service to existing customers with no change in their rates or terms and conditions of service. Therefore, the transfer of control of Lightyear, First Communications, and Xtension will be seamless and virtually transparent to consumers.

### **IV. PUBLIC INTEREST STATEMENT**

Applicants submit that the Transaction will serve the public interest. The Transaction will bring together three successful carrier organizations that have proven themselves in a highly competitive marketplace. The Transaction will help create a stronger competitor by bringing together each organization's respective strengths. Moreover, FCI will hold the combined managerial, operational and technical qualifications of Lightyear, First Communications, and Xtension, and will be stronger financially than any of the three individual companies currently are alone. Operation as an integrated company will allow each operating companies to be more competitive and to deliver even greater value to their customers than they do individually. Moreover, Applicants emphasize that the proposed indirect transfer of control will be seamless and virtually transparent to the customers of Lightyear, First Communications, and Xtension and

will not result in the discontinuance, reduction, loss, or impairment of service to customers.

The public interest will also be served by expeditious consideration and approval of the transfer of control that will allow the companies to integrate their management and resources in order to more effectively compete in the market. In order to achieve these benefits, it is imperative that, when the initial public offering is made, FCI be able to advise the London Stock Exchange and potential new investors that the United States regulatory approvals necessary for it to acquire control of Lightyear, First Communications and Xtension immediately following the offering have been obtained. Accordingly, Applicants respectfully request that the Commission commence its examination of the proposed Transaction as soon as possible and complete its review no later than February 15, 2007.

**V. INFORMATION REQUIRED BY SECTION 63.24(e)**

Pursuant to Section 63.24(e)(3) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

**63.18 (a) Name, address and telephone number of each Applicant:**

**Transferors:**

Lightyear Network Solutions, LLC	FRN: 0010045128
1901 Eastpoint Parkway	
Louisville, Kentucky 40223	
(502) 253-1508 (Tel)	

First Communications, LLC	FRN: 0003764487
3340 West Market Street	
Akron, Ohio 44333	
(330) 835-2323 (Tel)	

Xtension Services, Inc.  
30 South Treasure Drive  
Tampa, Florida 33609  
(704) 708-5919 (Tel)

FRN: 0004289658

Transferee:

First Communications, Inc.  
3340 West Market Street  
Akron, Ohio 44333  
(330) 835-2323 (Tel)

FRN: 0015806979

**63.18 (b) Jurisdiction of Organizations:**

Transferors: Lightyear Network Solutions, LLC is a limited liability company formed under the laws of Kentucky.

First Communications, LLC is a limited liability company formed under the laws of Ohio.

Xtension Services, Inc. is a corporation formed under the laws of Delaware.

Transferee: First Communications, Inc. is a corporation formed under the laws of Delaware.

**63.18 (c) Correspondence concerning this Application should be sent to:**

Jean L. Kiddoo  
Danielle C. Burt  
Bingham McCutchen LLP  
3000 K Street, NW, Suite 300  
Washington, DC 20007-5116  
Tel: (202) 424-7500  
Fax: (202) 424-7645  
Email: jean.kiddoo@bingham.com  
danielle.burt@bingham.com

With copies to:

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John Greive  
Lightyear Network Solutions, LLC  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223  
Tel: (502) 253-1508  
Fax: (502) 515-4138

Email: john.greive@lightyear.net

and

Mary Cegelski  
First Communications, LLC  
15166 Neo Parkway  
Garfield Heights, OH 44128  
Telephone: (216) 468-1614  
Facsimile: (216) 468-1680  
E-mail: mcegeliski@firstcomm.com

**63.18 (d)** Lightyear Network Solutions, LLC holds international Section 214 authority granted in File Nos. ITC-ASG-20031222-0561 and ITC-ASG-20031224-00562 and holds blanket domestic Section 214 authority. First Communications, LLC holds international Section 214 authority granted in File No. ITC-ASG-20011001-00509 and holds blanket domestic Section 214 authority. Xtension Services, Inc. holds international Section 214 authority granted in File No. ITC-214-20010305-00116 and holds blanket domestic Section 214 authority. First Communications, Inc. does not hold any domestic or Section 214 authority.

**63.18 (h)** In accordance with 63.24(e)(3), items (h)-(p) are provided for the transferee.

Following the Transaction, to the best of the Applicants' knowledge no person or entity will directly or indirectly own 10% or more of the equity of First Communications, Inc. ("FCI"). As described above, approximately 72% of FCI will be publicly-held and Applicants do not expect that any individual or entity will acquire more than 10% of the publicly offered shares. Founding management will hold a combined interest of 15%, but no individual among the founding management group will hold more than 10% of the stock of FCI. In addition, none of the current shareholders of Lightyear, First Communications or Xtension will hold more than 10% of the stock of FCI. The existing First Communications shareholders will hold an aggregate of approximately 7.5% in FCI; the current shareholders in LY Holdings, LLC (the parent of Lightyear) will hold an aggregate of approximately 3.5% in FCI; and the current shareholders in Xtension will hold an aggregate of approximately 3% in FCI.

To the best of Applicants' knowledge, there are no officers or directors of First Communications, Inc. that also serve as an officer or director of a foreign carrier as defined in Section 63.09(d).

**63.18 (i)** Applicants certify that they are not foreign carriers, nor are they affiliated with foreign carriers, nor will they become affiliated with foreign carriers as a result of this transaction.

- 63.18 (j) Applicants certify that they do not seek to provide international telecommunications services to any destination country where:
- (1) An Applicant is a foreign carrier in that country; or
  - (2) An Applicant controls a foreign carrier in that country; or
  - (3) Any entity that owns more than 25 percent of an Applicant, or that controls an Applicant, controls a foreign carrier in that country; or
  - (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of an Applicant and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.
- 63.18 (k) Not applicable.
- 63.18 (l) Not applicable.
- 63.18 (m) Not applicable.
- 63.18 (n) Applicants certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.
- 63.18 (o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a. *See also* 47 C.F.R. §§ 1.2001-1.2003.
- 63.18 (p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants is or is affiliated with any foreign carriers and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), applies.

## **VI. INFORMATION REQUIRED BY SECTION 63.04**

In lieu of an attachment, pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b)

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Applicants submit the following information in support of their request for domestic Section 214 authority in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12), 47 C.F.R. § 63.04(a)(6)-(12):



- (a)(6) A description of the proposed Transaction is set forth in **Section III** above.
- (a)(7) Lightyear Network Solutions, LLC is authorized to provide telecommunications services in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming. In these states, Lightyear is authorized to provide competitive local and/or long distance telecommunications services. All of the services provided by Lightyear are competitive in nature and neither Lightyear nor any affiliated company holds a dominant position in any market.

First Communications, LLC is authorized to provide telecommunications services in Alabama, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Massachusetts, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, and Wisconsin. In these states, First Communications is authorized to provide competitive local and/or long distance telecommunications services. All of the services provided by First Communications are competitive in nature and neither First Communications nor any affiliated company holds a dominant position in any market.

Xtension Services, Inc. is authorized to provide telecommunications services in California, Colorado, Florida, Illinois, Kansas, Michigan, Nevada, New Jersey, New York, North Carolina, Pennsylvania, Texas, and Washington. In these states, Xtension is authorized to provide competitive local and/or long distance telecommunications services. All of the services provided by Xtension are competitive in nature and neither Xtension nor any affiliated company holds a dominant position in any market.

- (a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, with respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, (1) Applicants and their affiliates (as defined in Section 3(1) of the Communications Act – ("Affiliates") combined will hold less than a ten percent (10%) share of the interstate, interexchange market; (2) Applicants and their Affiliates will provide local exchange service only in areas served by dominant local exchange carriers (none of which is a party to the proposed transaction) and; (3) none of the Applicants or their Affiliates is dominant with respect to any service.

- (a)(9) By this Application, Applicants seek authority with respect to both international

and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Commission Rule 63.04(b), 47 C.F.R. § 63.04(b)). No other applications are being filed with the Commission with respect to this transaction.

(a)(10) Prompt completion of the proposed transaction is critical to ensure that Applicants can obtain the benefits described in the foregoing application. Accordingly, Applicants respectfully request that the Commission approve this Application expeditiously in order to allow Applicants to consummate the proposed transaction as soon as possible.

(a)(11) Not applicable.

(a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in **Section IV** above.

## **VI. CONCLUSION**

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application for the above-described Transaction. Applicants respectfully request expedited treatment to permit Applicants to complete the transaction no later than February 15, 2007.

Respectfully submitted,



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Danielle C. Burt

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Washington, DC 20007-5116

Tel: (202) 424-7500

Fax: (202) 424-7647

Email: jean.kiddoo@bingham.com

danielle.burt@bingham.com

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Counsel for First Communications, Inc.,

Lightyear Network Solutions, LLC,

First Communications, LLC, and

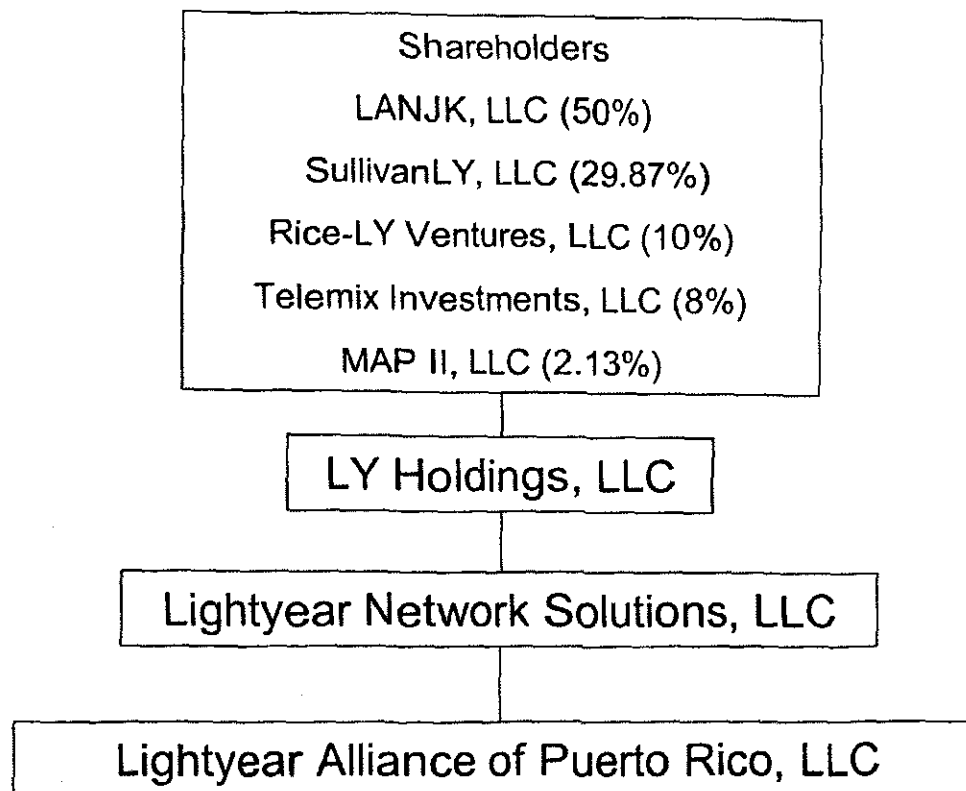
Xtension Services, Inc.

Dated: December 6, 2006

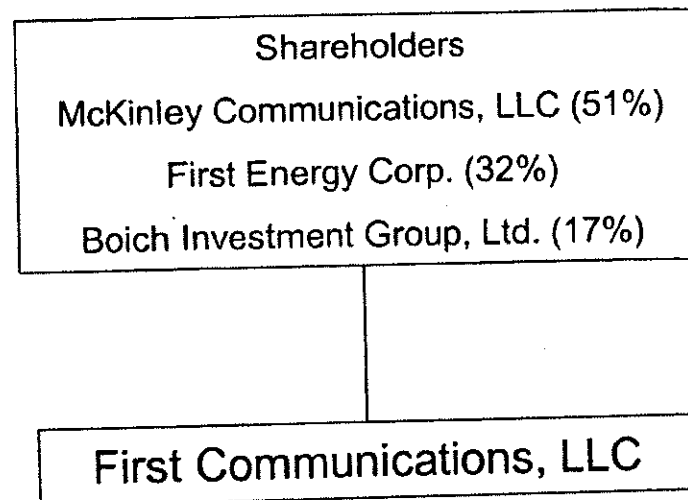
## **Exhibit A**

### **Pre- and Post-Transaction Ownership Structure**

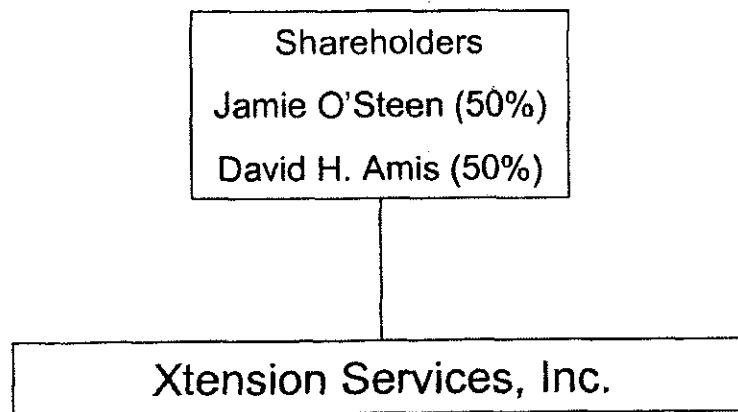
Lightyear Network Solutions  
Pre-Transaction Corporate Structure



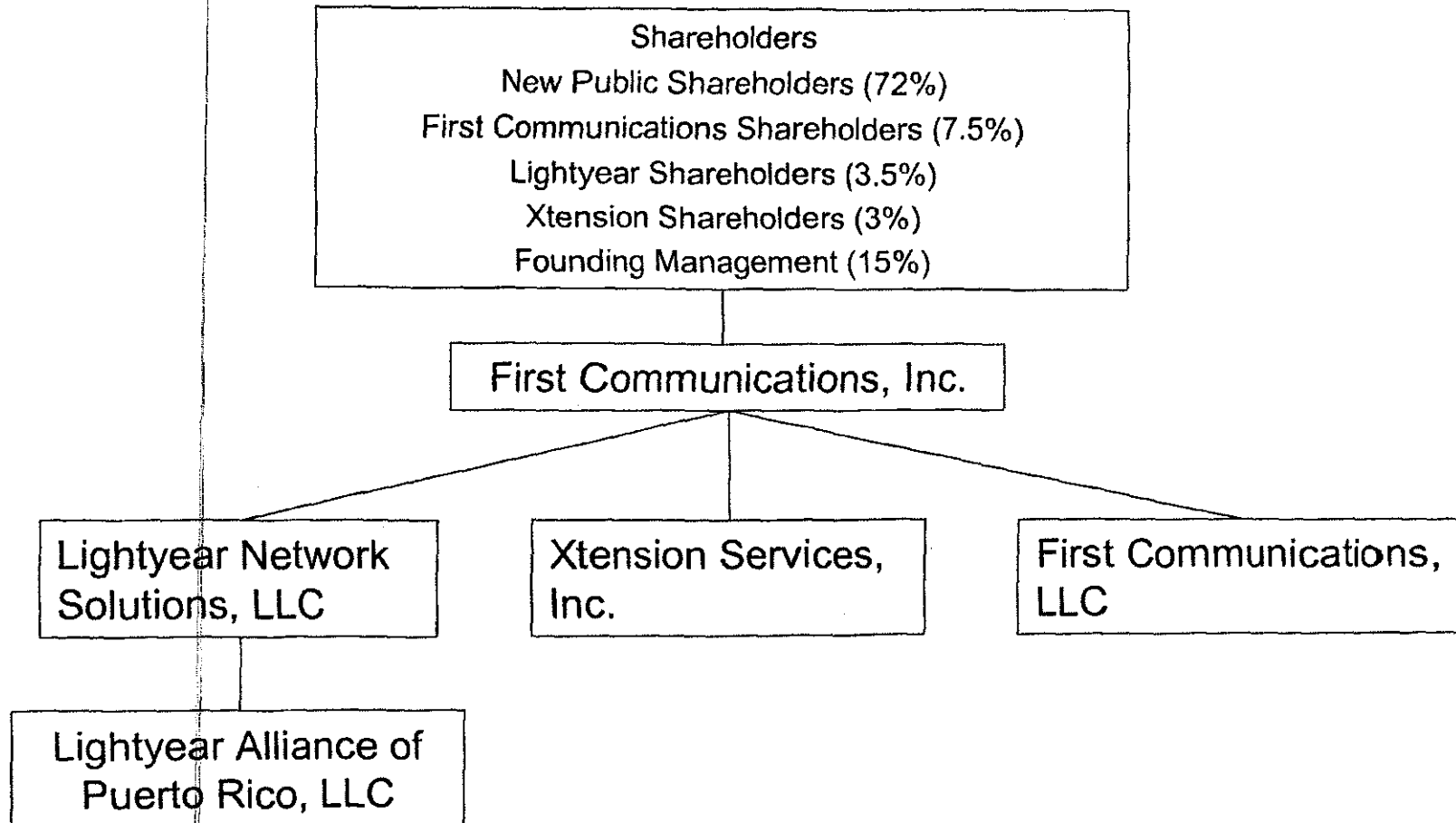
First Communications, LLC  
Pre-Transaction Corporate Structure



Xtension Services, Inc.  
Pre-Transaction Corporate Structure



## Post-Transaction Corporate Structure



## Verifications



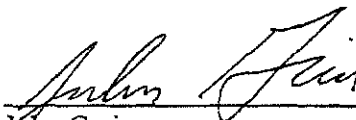
STATE OF KENTUCKY

§  
§  
§

CITY OF LOUISVILLE

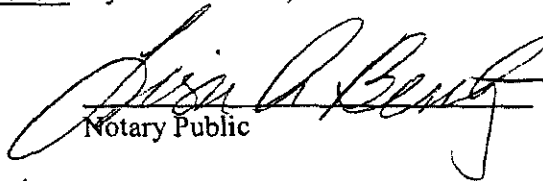
VERIFICATION

I, John Greive, state that I am Vice President of Regulatory Affairs and General Counsel;  
that I am authorized to make this Verification on behalf of Lightyear Network Solutions, LLC;  
that the foregoing filing was prepared under my direction and supervision; and that the contents  
are true and correct to the best of my knowledge, information, and belief.



John Greive  
Vice President of Regulatory Affairs  
& General Counsel  
Lightyear Network Solutions, LLC

Sworn and subscribed before me this 17 day of November, 2006.

  
Notary Public

My commission expires Sept 19, 2010

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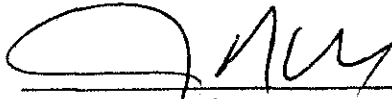
STATE OF OHIO

§  
§  
§

CITY OF AKRON

**VERIFICATION**

I, Joseph R. Morris, state that I am Chief Operating Officer; that I am authorized to make this Verification on behalf of First Communications, LLC; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
Joseph R. Morris  
Chief Operating Officer  
First Communications, LLC

Sworn and subscribed before me this 15 day of November, 2006.

  
\_\_\_\_\_  
Notary Public

**MARY CEGELSKI**  
NOTARY PUBLIC • STATE OF OHIO  
Recorded in Cuyahoga Cty.

My commission expires ~~My commission expires Oct. 18, 2011~~

FCC


STATE OF NORTH CAROLINA

CITY OF CHARLOTTE

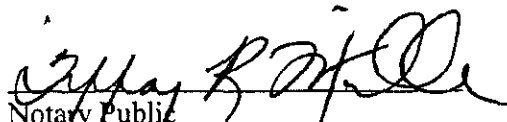
§  
§  
§

**VERIFICATION**

I, Jamie O'Steen, state that I am President; that I am authorized to make this Verification on behalf of Xtension Services, Inc.; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
Jamie O'Steen  
President  
Xtension Services, Inc.

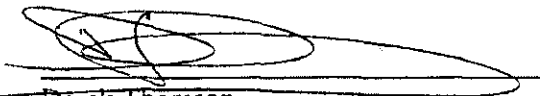
Sworn and subscribed before me this 21 day of November, 2006.

  
\_\_\_\_\_  
Notary Public

My commission expires October 12, 2009

## VERIFICATION

I, *Derek Thomson*, state that I am Chief Financial Officer; that I am authorized to make this Verification on behalf of First Communications, Inc.; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

  
Derek Thomson  
Chief Financial Officer  
First Communications, Inc.

Sworn and subscribed before me this 15 day of November, 2006.

  
Notary Public

MARY CEGELSKI  
NOTARY PUBLIC • STATE OF OHIO  
Recorded in Cuyahoga Cty.  
My commission expires Oct. 18, 2011

My commission expires \_\_\_\_\_